

Message Text

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ACTION EB-08

INFO OCT-01 EA-10 ISO-00 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 AID-05 SS-15 STR-04
ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 FEAE-00
OMB-01 /084 W

-----047259 251237Z /45

R 250734Z AUG 77

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 487

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PASS COMMERCE AND STR

E.O. 11652: NA

TAGS: BDIS, OREP, OVIP, JA

SUBJECT: EASTMAN KODAK COMPLAINT AGAINST JAPANESE PHOTOGRAPHIC
FILM TARIFF

REF: TOKYO 11096

1. SUMMARY. ON AUGUST 22 EMBASSY WAS VISITED BY MR. WARREN G. HARMS, DIRECTOR OF JAPANESE OPERATIONS, INTERNATIONAL PHOTOGRAPHIC DIVISION OF EASTMAN KODAK, CONCERNING A COMPLAINT KODAK PLANS TO BRING TO ATTENTION OF THE JAPANESE GOVERNMENT IN AN ATTEMPT TO HAVE THE GOJ'S TARIFF ON PHOTOGRAPHIC FILM LOWERED TO A LEVEL EQUAL TO THAT APPLIED BY U.S. KODAK HAS NOT YET ASKED FOR ANY EMBASSY ASSISTANCE, BUT HAS STATED THAT ITS VIEW HAS BEEN MADE KNOWN IN WASHINGTON. IT IS POSSIBLE THE QUESTION WILL COME UP DURING THE VISITS OF STR STRAUSS AND SECRETARY OF COMMERCE KREPS, AND DURING THE SHIMODA CONFERENCE. WASHINGTON GUIDANCE IS REQUESTED. END SUMMARY.

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2. MR. HARMS EXPLAINED THAT KODAK'S COMPLAINT CONCERNING THE JAPANESE TARIFF ON PHOTOGRAPHIC FILMS IS A LONG-STANDING ONE, BUT THAT IT HAD BEEN HELD IN ABEYANCE THE PAST SEVERAL YEARS AT THE REQUEST OF THEN STR DENT. HARMS STATED THAT THE MATTER WAS RECENTLY DISCUSSED WITH STR STRAUSS, AMBASSADOR WOLFF, AND OTHERS IN OFFICE OF SPECIAL TRADE REPRESENTATIVE, AS WELL AS

WITH INDIVIDUALS IN COMMERCE AND TREASURY. HARMS' UNDERSTANDING IS THAT USG OFFICIALS CONTACTED SUPPORT KODAK'S APPROACH TO GOJ ON THIS MATTER.

3. KODAK'S COMPLAINT, AS EXPRESSED TO EMBOFF, IS THAT CURRENTLY APPLIED JAPANESE TARIFF RATES ARE ABOUT THREE TIMES THOSE IN FORCE IN U.S. ON SENSITIZED PHOTOGRAPHIC FILMS. THESE CURRENTLY APPLIED RATES ARE, HOWEVER, MUCH LOWER THAN THOSE BOUND UNDER THE KENNEDY ROUND SCHEDULE, SINCE THE JAPANESE HAVE LOWERED THEIR TARIFFS UNILATERALLY IN SEVERAL STAGES OVER THE PAST FEW YEARS. KODAK IS CONCERNED THAT THE JAPANESE EVIDENTLY INTEND TO BEGIN BARGAINING IN THE CURRENT MTN FROM THE BOUND KENNEDY ROUND LEVELS RATHER THAN FROM THE LEVELS WHICH ARE PRESENTLY BEING ENFORCED. THE RESULT, ACCORDING TO KODAK, IS THAT AFTER THE MTN THE GOJ'S RATES WILL BE LOWEERED OFFICIALLY ONLY TO THE LEVEL PRESENTLY BEING APPLIED. HOWEVER, THESE LEVELS WILL BE SANCTIONED OFFICIALLY BY THE MTN AND CONSEQUENTLY BE MORE DIFFICULT TO CHALLENGE. THEREFORE, KODAK WANTS THE GOJ TO BRING ITS TARIFF RATES IN LINE WITH U.S. NOW, PRIOR TO CONCLUSION OF MTN. HARMS STATED THAT KODAK'S BRIEF AND SUPPORTING DATA HAVE BEEN PRESENTED TO STR STRAUSS.

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4. DURING CURRENT VISIT TO TOKYO, HARMS IS SCHEDULED TO MEET WITH MR. UDAGAWA, DIRECOTR OF TARIFF DIVISION OF MITI; MR. TOTSUKA, DIRECTOR OF TARIFF BUREAU OF MINISTRY OF FINANCE; AND MR. HIRAKAWA, CHIEF OF THE CHEMICAL SECTION OF THE BASIC INDUSTRIES BUREAU OF MITI. HE WILL PRESENT KODAK'S CASE FOR TARIFF REDUCTION BY GOJ TO THESE OFFICIALS FOR AN INITIAL REACTION. HARMS STATED HE HAD ALSO ARRANGED A PRIVATE DINNER WITH JAPANESE DIET MEMBER MORIYAMA, "TITULAR HEAD" OF THE JAPAN CAMERA INSPECTION INSTITUTE, WHO HARMS BELIEVES TO BE FAVORABLY DISPOSED TO A REDUCTION OF JAPANESE PHOTOGRAPHIC FILM TARIFFS.

5. HARMS STATES KODAK HAS ALSO SPOKEN WITH REPRESENTATIVE BARBER CONABLE (R-NY) ABOUT THE TARIFF INEQUITY. HARMS BELIEVES THAT BARBER, WHO WILL BE ATTENDING UPCOMING SHIMODA CONFERENCE, WILL CITE PHOTOGRAPHIC FILM TARIFF AS ONE CONCRETE EXAMPLE OF THE KIND OF ACTION THE GOJ SHOULD TAKE IN ORDER TO BRING ITS TRADE ACCOUNT INTO BALANCE.

6. HARMS UNCERTAIN WHETHER SECRETARY KREPS ALREADY

INFORMED OF THIS ISSUE, BUT BELIEVES SHE WILL BE PRIOR
TO HER TOKYO VISIT. HARMS STATED SECRETARY IS FORMER
MEMBER OF EASTMAN KODAK BOARD, AND BELIEVES SHE MAY
RAISE TARIFF ISSUE DURING VISIT.

7. ACTION REQUESTED: REQUEST WASHINGTON AGENCIES
PROVIDE EMBASSY WITH ANY BACKGROUND AVAILABLE ON
KODAK CASE AND GUIDANCE AS TO USG POLICY. ISSUE IS RELATED
TO THAT RAISED IN REFTEL, TO WHICH NO REPLY YET RECEIVED
FROM DEPARTMENT.
MANSFIELD

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FILMS, TARIFFS
Control Number: n/a
Copy: SINGLE
Sent Date: 25-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Format: TEL
From: TOKYO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770821/aaaaarpi.tel
Line Count: 126
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Litigation History:
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